

“ISSUES AND CHALLENGES OF MOBILE BANKING APPLICATION IN RAJASTHAN”

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ABSTRACT

This study plays an important role in identifying major factors and issues those helps in adoption and obstruction of the global mobile banking. This study also defines the role of mobile banking in payment industry by providing ease to existing bank customers and by offering new services to the customers in emerging areas. By using mobile banking technology users has been much quicker than the adoption of online banking more than a decade ago. This research paper defines many issues and challenges which are facing in use of mobile banking.

KEYWORDS: Mobile Banking, Issues, Security & Challenges

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INTRODUCTION

Mobile banking communications represents that mobile phones are growingly accepted with banks as a device for online payments, account management, risk management, information, marketing and other services offered by it. Mobile banking is not only providing banking facilities to customers anytime or anywhere but as well as mobile banking importantly decreasing service costs also. The uniqueness of mobile banking in terms of ease of use, fastness in transactions, time spent in query solving and transaction as a whole. Day by day users are continuously increasing and using the mobile banking services for improving to financial services like savings, insurance, money deposits, etc. without wasting time.

OBJECTIVES OF THE STUDY

- To understand the issues and challenges involved in using m-banking as a business tool.
- To determine the factors reflected by customers while selecting mobile banking services.

LITERATURE REVIEW

Heggade O.D.(2000) analyzes the range of customer services provided by the banks by the side of with their impact on customer-banker relations. This Study shows with Indian banks in general and banks of Dakshana Kenara District in exacting. The study also make known that banking routine of people in this district are good and better so that customers are satisfied with banks' customer services.

Mishra J.K. and Jain M. (2007), this research defines the several dimensions of customer satisfaction in private sector and nationalized banks. This research concludes that satisfaction of the customers is a very useful quality for the present organizations, on condition that without comparison reasonable edge which helps in

creating and developing a long term relationship in addition to trademark impartiality.

Uppal R.K. and Kaur R. (2007) this analyze the effectiveness of all bank groups in the post banking sector improvement time. The research recommends some evaluates for the improvement of good organization of Indian nationalized banks.

Zafar M.K., Qureshi T.M. and Khan M.B. (2008) this research analyzes the customer acceptance of online banking. This research concludes that widely held of customers are compliant online banking for the reason that of many favourable issues, security, usefulness and confidentiality are the main look at factors to acknowledge online banking system in Pakistan.

Sawhney S., Kamble S. S., Bansal R. (2009) this research defines online service quality factors that make possible the client's fulfilment for the e-travel and e-mart online retail. Additionally they assess how these measurements are perceived by the customers for offering an objective determines of service performance.

Bahl, Sarita (2012) this study defines that privacy and security factors are the big issue in mobile banking. According to this study if security and privacy factors or issues are recognized then forthcoming mobile banking system would be great successful.

V. Devadevan (2013) this research defines the Issues and Challenges of mobile banking in India. This Research explores the opportunity of technology make possible services to provide better customer experience and convenience. India is the second largest telecom market in the world, which analyze the security issues in Mobile banking among the banking customers in India.

Manav Aggarwal (2014) this research analysis that the importance of mobile banking is largest financial institutions which on a regular basis discover the chance of technology to offer enhanced customer service utilities. This research analyzes that the customers to carry out a number of financial transactions by using mobile devices.

Scope of the Study

- Geographically Individuals who have been using mobile banking services in urban area of Rajasthan is targeted for the study.
- Customers who have bank account and using mobile banking.
- Banks who are providing services in public sector bank and private sector banks.

Usage of Mobile Banking by Mobile Phones

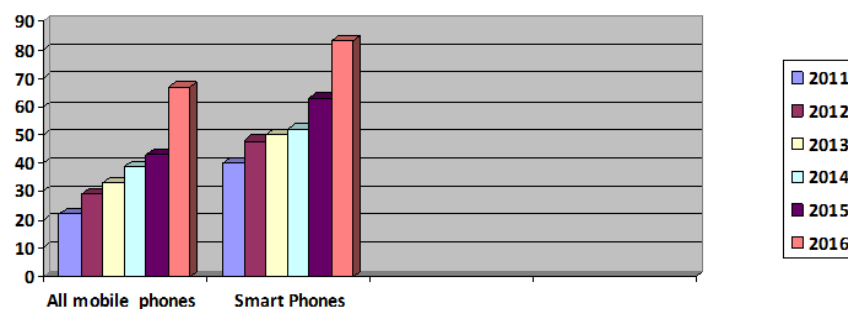


Figure 1

No. of Mobile Banking Users Increased

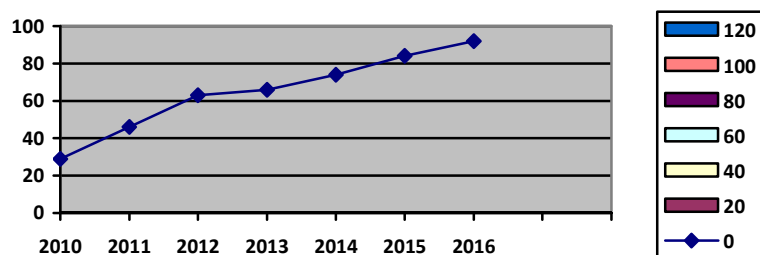


Figure 2

Issues and Challenges of Mobile Banking

- **Security**

Security or privacy play very important role in mobile banking. Security defines that how much secure mobile banking for users and consumers. The mobile banking have some issues related that applications are downloading from a trustworthy website and certain about that these applications are tested for security. Although the application services are provided by third party and they may be stolen user's data and information from user's mobile device or at the time of transaction process.

Security of mobile banking is a big issue for mobile banking users. Whenever user enters PIN or PASSWORD for transaction processing then it may be stolen by unauthorized user or it may also possible that user mobile device has lost or stolen in that case user or consumer has to aware about it. Because user's sensitive data and information in mobile get so high risk with services which are provided by third party. Third party may take our data, information and may possible that provide to any another third party. So mobile banking user's have to aware about application used for WAP mobile banking services and require to download a genuine and authorize application for transaction process with mobile banking services and applications.

- **Possibility of Risk in SMS Mobile Banking**

As it is familiar to all that when we write a message or SMS is always typed in plain text. So In present the only encryption technique is available and the end to end encryption technique is not available for security perspectives. Only encryption is available at the base station of the SMS server during transmission time. Due to this process it may create a risk in SMS banking process or transaction such as SMS spoofing attack. In spoofing attacker can send a message on network by manipulating or changing the user's number. So it is also a challenge in mobile banking.

- **Due to Lack of Awareness of Customers**

As we know about it that awareness of user's is also an important factor and issue for mobile banking users. Due to lack of knowledge and awareness about mobile banking also have doubts about it. The mobile banking technology is new for current time users and consumers in financial processing over mobile system. In that case all banking users and consumers are not aware about it and feel risk to accept it and not feel free to using it on mobile system. So it is also a big factor or issue in front of mobile banking applications.

- **Authentication Process Issue**

In mobile banking there is authentication risk at the login time or when a user access account through the mobile system for the reason that in mobile banking for the authentication process user uses PIN number. To enter a PIN number for authentication process is an old process or method. It may possible that password and id or username may stolen by any unauthorized access and password attacker can get all the information which are related to our account. There is also another risk factor is possible due to authentication process in mobile banking as if mobile has lost then attacker may find the password through the mobile and can access the account by using our id and password.

- **Virus and Malware Attack**

When user access own account for process then there is also possibility or risk that a virus may attack and may access users account information like username and password. It may possible that the other information stored in computer system there is also risk on virus and malware attack because some malicious code are written to defect mobile banking like Zeus has used for attack on SMS banking and Zeus used for take or get mobile transaction authentication process through password, pin number or OTP are also a big security concern.

Mitigation and Solution of Issues in Mobile Banking

These are some possible solution and suggestion for mobile banking issues after that we can defeat or reduce the challenges and risk which may occurs in mobile banking field.

- **Customer Education and Awareness:** In upcoming days many users are increasing day by day who have been using smart phones and uses services offered by mobile service providers. Now as we know mobile banking technology is new in banking and financial sector so all users and customer are not aware about it. If mostly users and customers made familiar and aware about security risk then it is also a challenge for us to overcome these issues and challenges. So it's require to educate and aware users and customers about mobile banking.
- **Faith/Trust:** Making trust or faith in customer is a challenge for us so for it we have to provide highly secured services by which user feel secure about accessing and transferring data and information and they feel free to use mobile banking services without any risk and data lose. Another thing also for increasing or maintaining trust in customer from that they are not known or aware about these services so we have to aware and educate to user for using banking services without risk.
- **Security/Privacy Issues:** We have require to make users aware regarding privacy issues like knowledge about mobile banking system and its security issues. Other solution is that mobile banking applications must be download from a highly trustworthy website and sure about that these applications are tested for security. The reason is that these application services are offered by third party and they can take or steal user's data and information from his mobile device or at the time of transaction process.
- **Wireless Network:** The mobile banking system using a wireless infrastructure for the process of transaction so due to lack of security there may be get a risk on the customer services so customers have to make available a high infrastructure and good security for the banking process because in these wireless infrastructure highly sensitive data and information are passed through wireless network.

CONCLUSIONS

Currently the users are adopting the technology to reducing their efforts and time by using mobile banking with a wireless connection. So user can handle many mobile based system transactions in finance or commerce sector by mobile banking techniques from any location. Through this process customer can save our time and can access own account and information from anywhere and anytime and it also keeps security alert with us if there is any unauthorized user is trying to access our account. So we have to provide better security options to improve the authentication process for secure services and increase trust in adoption of mobile banking services and applications for getting benefits.

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